

# ONTARIO GOVERNMENT.)

---

**SENATOR MACPHERSON**

ON

**"REFORM" IN THIS PROVINCE.**

---

**A Trenchant Exposure of Extravagance,  
Incapacity and Corruption.**

---

**A SERIES OF DEFICITS.**

---

**A REVIEW OF MR. MACKENZIE'S DOWNFALL.**

---

Facts and Figures from the Public Records—Mr. Mowat's Descent—The Spirit  
of Partyism—A Startling Expose of Ontario Finances, etc.

**Toronto:**

PRINTED AT THE MAIL OFFICE, CORNER OF KING AND BAY STREETS.

1878

UNITED STATES GOVERNMENT

ALFRED WATKINS

CHIEF OF BUREAU

Department of Agriculture  
Washington, D.C.

A SERIES OF DEFICITS

A REPORT OF MR. WATKINS

TO THE COMMISSIONERS OF THE LAND OFFICE

WASHINGTON, D.C.

## Senator Macpherson on "Reform" in This Province.

HON. D. L. Macpherson has addressed the following letter to the electors of North Simcoe, Grey & Bruce, constituting formerly the electoral division of Saugeen, which he represented in the old Legislative Council:—

GENTLEMEN,—Impelled by a sense of duty and cherishing the pleasant recollections of our former connection, I address you once more upon public affairs. In my former pamphlets I submitted facts relating to the administration of the affairs of the Dominion. In this I shall restrict myself mainly to a more limited but scarcely less important field—our own Province.

The Government of Ontario exercises greater and more direct influence than that of the Dominion over the rights and happiness of its own people. It therefore behoves them to watch the Provincial Administration with sleepless vigilance. I am prompted to examine into our home affairs by the course pursued by the members of the Government of Ontario during the late Dominion elections, when those gentlemen conducted themselves as if their first duty was to secure the success of the Ministerial candidates, and to that end they perambulated the Province from Lambton to Glengarry. In their public harangues, I regret to say, that they indulged in the wildest misstatements; they boldly defended acts of the Dominion Government which they must have known were scandalous; they devoted much time, as many of you know, to denying the accuracy of the financial statements which I had submitted to the public, although they must have been aware that every one of those statements was incontrovertible. In misrepresentation and abuse of me they rivalled Messrs. Mackenzie and Cartwright.

When I saw the members of the Local Government sacrificing consistency, dignity and duty, and rushing into the political breach to save the unworthy and the fallen, I came to the conclusion that the union between the Governments of Ottawa and Toronto was more in the nature of a conspiracy against the interests of the people than of an alliance in their defence, and that their active co-operation showed that they knew it would require the combined unscrupulous efforts of both Governments to give to either of them the smallest chance of escaping from the wrath of a deceived, injured and indignant people. If

Mr. Mowat and his colleagues had possessed the proud consciousness that their Government was all it ought to be, they would have stood aloof from Mr. Mackenzie and his colleagues.

### HISTORY OF THE ADMINISTRATIONS.

Before submitting statements of the expenditure of the Province, I shall review the history of the Administrations which have ruled in Ontario since the establishment of her Provincial autonomy. I do so for the purpose of exhibiting the spirit which animated and governed the leading Administrators. It will be remembered that in 1864 the leading statesmen of Canada entered into a coalition to settle the issues which for many years had disturbed the Canadian body politic. In that coalition were men who had differed widely. Sir John Macdonald and the Hon. George Brown, Sir George Cartier and the Hon. W. Macdougall, Sir Alex. Galt and the Hon. Mr. Howland and others, associated themselves for the common purpose of removing barriers which had prevented them working together in the public service. Their labours resulted in the union of all the British North American colonies, except Newfoundland. The old issues being thus disposed of, it was expected that our public men would devote themselves to the great work of consolidating and knitting together in bonds of amity and interest all the Provinces of this young Dominion. Partyism, selfish, wicked partyism, had done much to mar the happiness of Canada, and the good men of all parties hoped that its discordant voice had been hushed. Unfortunately, however, before the conditions of union were even embodied in an Act of Parliament, the Hon. George Brown, for reasons which will probably be regarded by the future historian of Canada as wholly insufficient, retired from the Government. Not content with doing this, he employed the powerful newspaper of which he was and is the owner, the *Toronto Globe*, to rake the expiring embers of old quarrels, and did all in his power to divide into hostile parties a people before whom there were absolutely no public questions upon which party lives could be drawn. Sir John Macdonald, desiring to maintain the coalition character of his Cabinet, offered the seat vacated by Mr. Brown to Mr. Alexander Mackenzie, but he declined it, doubtless in deference to the wishes of the autocrat of the Reform

party. Mr. Ferguson Blair acted with more independence and patriotism and accepted the vacant seat. The Government was thus enabled to continue its good work, and Confederation became a fact. When Sir John Macdonald was called upon to form the first Administration of the Dominion he preserved the coalition principle in the Ontario contingent. He did all in his power—as was his duty and the duty of all Canadians—to bury the dead differences of the past, and to unite and inspire with a feeling of brotherhood—in short, to Canadianize—the people of the different Provinces. But Mr. Brown, instead of aiding to remove disturbing elements, laboured obstinately and with a persistency worthy of a better cause to restore the almost obliterated landmarks of defunct partyism. The people, however, were too intelligent to be imposed upon by shams, and they rebuked Mr. Brown in 1867 by sending a large majority to Parliament to support the Government of Sir John Macdonald.

#### THE COALITIONS.

I have already stated that the contingent of Ontario to the Ottawa Cabinet was coalition in character. It consisted of two gentlemen who had formerly been known as Conservatives and three who had been known as Liberals. In forming his Cabinet, Sir John was generous to Reformers. It was this Government that appointed the first Lieutenant-Governors, on whom devolved the duty of organizing the Provincial Executives. The first Lieutenant-Governor of Ontario was Major-General Stisted, the Commander of the Forces in the Province. It is reasonable to suppose that when appointing a military man to that office, the Administration at Ottawa indicated to him whom he should send for to form his Administration, and it may be assumed that it was at Sir John Macdonald's instance that Lieutenant Governor Stisted appointed Mr. Sandfield Macdonald the first Premier of Ontario. Could Sir John Macdonald have given stronger evidence of his desire to obliterate and forget the differences of the past and to give to the public men of this Province the influence in its Government which their prominence entitled them to, regardless of their former party associations? Mr. Sandfield Macdonald had been the unswerving opponent of Sir John Macdonald during the whole time that the latter had been in Parliament. He had always been a pronounced Reformer, but he was too independent and manly to be a vassal. He, therefore, never enjoyed the sunshine of Mr. Brown's favour. When a member of the Opposition in the old Canadian Parliament, Mr. Sandfield

Macdonald neither had nor sought many followers, but when Sir George Cartier's Government was defeated in 1862 he was called upon to form an Administration. He did so, and it ruled until the advent of the coalition in 1864. When this honest Reformer was called upon to organize an Administration for Ontario, he governed himself by the spirit of justice which was demanded by the new order of things, and selected his colleagues from both of the pre-Confederation parties. I have reason to believe that the first man he asked to join him was, like himself, an old Reformer, a gentleman of high character, the Honourable John McMurich. That gentleman, no doubt, consulted his leader, Mr. Brown, and he was advised, it was understood, not to enter the Cabinet unless it was composed exclusively of Reformers, of the Brown stamp. Mr. Sandfield Macdonald was not a man to be coerced or deceived, and the negotiations with Mr. McMurich failed. The Administration, as finally constituted, was composed of three Liberals, Messrs. Sandfield Macdonald, Richards, and Wood, and two Conservatives, Messrs. Cameron and Carling. Messrs. Brown, Blake, and Mackenzie opposed Sandfield Macdonald's Government with persistent virulence. Mr. Mackenzie became a member of the second Ontario Parliament, and when it assembled for the first time, in December, 1871, in order to defeat the Government, advantage was taken—in a manner more worthy of gamblers than of statesmen—of the absence of a number of members who had gone to their constituents for re-election. Mr. Macdonald retired, feeling poignantly what he regarded as the ingratitude of his native Province. Ontario had not, and never will have, a more disinterested, faithful, and devoted son, than the late John Sandfield Macdonald. Mr. Brown did justice, tardy justice to his memory (although in his life time he had greatly maligned him) when in a speech delivered in South Victoria, in September last, he said:—"Mr. Sandfield Macdonald—a man who would neither do wrong nor allow those around him to do wrong."

#### A VIOLATED PRINCIPLE.

Mr. Blake succeeded him as Premier, with Mr. Mackenzie as Treasurer. You would have supposed that these gentlemen could not have been tempted by the love of office, or by any other consideration, to constitute, upon coalition principles, the first Government which either of them had been called upon to form, and that they would have remembered their denunciation of coalitions; they acted, however, as if they had always favoured coalitions and

thus violated their life-long pledges. With shameless inconsistency they offered a seat in the Cabinet to Mr. Scott, of Ottawa, the Speaker of the Legislative Assembly; an office to which he had been appointed on the motion of Mr. Sandfield Macdonald, when Premier. Mr. Scott was, and always had been, a pronounced Conservative, and so decidedly did he recognize his allegiance to the Conservative leader, that he actually asked the assent of Sir John Macdonald to coalesce with and become the colleague of Messrs. Blake and Mackenzie. From a Government founded upon recreancy and hypocrisy, but little good was to be expected, and but little sprang from it. Much of its legislation was unwise and pernicious. In making political capital of the deplorable murder of Scott, in Manitoba, the members of the Government imprinted an ineffaceable stain upon their escutcheons. Their Anti-Dual-Representation Act, restricting the choice of the people, was strangely inconsistent with the principles professed by Reformers. It was probably passed at the instance of Mr. Brown, who could foresee that its tendency would be to exclude men of ability from the Local Legislature, and to make that body more subservient to him. And such has been its effect. Messrs. Blake and Mackenzie determined to remain in the Dominion Parliament, and by the Anti-Dual-Representation Act, expelled themselves from the Legislature of Ontario. They acknowledged by their next step that they had not left on the Reform side of the Legislative Assembly a man to whom the Government of the Province might safely be entrusted. According to their political code no one who had not been known as a Brown Reformer, anterior to Confederation, was worthy to be Premier of Ontario. And in order to obtain one, who in their opinion was gifted with the necessary qualifications for the office, they invaded the Bench. Mr. Vice-Chancellor Mowat was induced to lay aside the pure ermine of the Judge, and to gird his loins with the tattered and unclean raiment of a trimming politician. It cannot be gainsaid that the tendency of that proceeding was to degrade the Bench. Until that occurrence, the Judges of the country were looked upon as men occupying a higher and purer sphere than the rest of the people, elevated to that station, removed from the distracting influences of politics and of trade, to administer justice dispassionately and impartially. I have not the least doubt that our present Judges do so administer it; but I do say that Messrs. Blake and Mowat lowered the Bench from the elevated plane it had previously occupied, down almost to the level of common life; and it is to be hoped for the

sake of the country, that the precedent set by Mr. Mowat will not be followed, but will receive the condemnation of the people, and that every effort will be made to restore the Bench to the eminence on which Messrs. Blake and Mowat found it. It is surprising that Mr. Blake, of all men, should have been the man to degrade the Bench, by advising the recall of a judge to political life. It would be natural to expect that he would entertain a high and innate reverence for the judiciary. It may have been one of the instances in which Mr. Blake yielded his judgment to Mr. Brown's stronger will. Mr. Brown wanted a man as Premier of Ontario who would look upon him as the head of his party—as the fountain of authority. It should not be considered disparaging to Mr. Mowat to say that he is not endowed with Mr. Brown's force or strength of will. Few men are. Mr. Brown, for the last five years, has been the real head of the Governments of the Dominion and of Ontario. I have elsewhere characterized Mr. Mackenzie's Government as a Vicariate, and in view of the part played by Mr. Mowat's Government, I do it no injustice in describing it as a sub-Vicariate. The "farming out," as it were, of the two Governments by Mr. Brown, has been subversive of their usefulness and dignity.

#### MR. CAMERON AND MR. RICHARDS.

When Messrs. Blake and Mackenzie expelled themselves from the Local Legislature, leaving there no "Old Reformer" who was qualified to succeed to the office of First Minister, it was not necessary to bring Mr. Mowat down from the exalted region to which he had been translated. The Queen's Government could have been carried on without his aid. It was to carry out the schemes of an inexorable, dwarfing partyism, that he was summoned. Messrs. M. C. Cameron, Stephen Richards, and John Carling were in the Legislature. They had taken a leading part in the Administration of Mr. Sandfield Macdonald during the preceding four years and a half, and had discharged their duties with ability, integrity and economy. They had acquired much experience in administering the public business. Why were these gentlemen excluded from the public service? Why were the people not allowed the advantage of their experience and services at a time when men possessing their administrative qualities were scarce, and were not to be found on the self-styled "Reform" side of the Legislature, or in the Reform party, without going to the Bench, where neither Reformer nor Conservative should be known? Mr. Richards had always been a Liberal; Messrs. Cameron and Carling

had been Conservatives. Mr. Richards had been, as I had been myself, a Baldwin Reformer. If he had been a follower of Mr. Brown, instead of a follower of Mr. Baldwin, he would have been offered the Premiership, and would have discharged its duties well. Mr. Cameron was also well qualified to fill the office of Premier. Perhaps, indeed, those who know all the gentlemen may be of opinion, especially with the light which is now available, that either Mr. Richards or Mr. Cameron would have held a tighter grasp than Mr. Mowat upon the public purse, and would have been less affected by those influences which have led to an unnecessary increase of the controllable expenditure—to extravagance and corruption. I believe Mr. Mowat to be personally upright and of excellent intentions, but it is said he yields too readily to men of stronger will and of less scrupulosity than himself. Most of the evils which afflict this Province, including the extravagance of the Government, are directly traceable to prejudiced and pestilent partyism. I ask why should it be tolerated in the management of the business of Ontario? The people object to its embittering presence in their municipal offices, and the public business of Ontario is neither more nor less than the business of a group of municipalities. Ontario is not charged with any subject of legislation other than of a strictly municipal character, or with any question into which party politics should be permitted to enter. Ministers should be chosen for their ability and aptitude as Administrators, for, beyond supervising legislation, their duties are simply administrative. Well educated men entering the Legislature should feel that if they devote themselves to mastering the public business, the time will come when they will be called upon to take a part in its administration, no matter whether they or their fathers were known before Confederation as Conservatives or Reformers. If this rule prevailed, it would be an incentive to young men of talent to enter the Legislature, and to fit themselves, not only for administering the affairs of Ontario, but eventually for entering the Parliament of the Dominion as trained administrators. If such a system could be introduced and steadily practised, it would do much to purify and improve the public service. The people will find it to their advantage to make education and talent the stepping-stones to their service and confidence. The shibboleth of self-seeking Reformers, who, according to Mr. Blake, "have nothing to reform," but who need much reforming themselves, has been the only qualification for office required by the intolerant men who, since December, 1871, have governed

the Province, and the Administration, as might be expected, has been extravagant and debasing. The Ministers of Ontario, instead of serving the whole people, appear to devote their main energies to the cultivation of party spirit. Under their administration the public departments and the entire public service, it is alleged, have become great schools for its inculcation, for the ignoble purpose of securing to a narrow-minded and selfish clique the loaves and fishes, with a periodical enlargement of the former and an increase of the catch of the latter.

#### THE MACKENZIE-MOWAT ALLIANCE.

The people of Ontario have just declared in thunder tones that they are not to be imposed upon any longer by the professions of spurious Reformers. They have dismissed from their confidence the representatives of a party led nominally by Mr. Mackenzie, and really by his master Mr. Brown, but to emancipate themselves completely from their baneful influence they must also dismiss Mr. Mackenzie's zealous fellow labourers and partisans in Ontario—Mr. Mowat and his colleagues. The people have pronounced in favour of a policy which the Ontario Ministers have seen fit to oppose most strenuously, and if those Ministers should be allowed to remain in power they will endeavour insidiously, if not openly, to frustrate the popular will. They were not called upon to take part in the discussion of the Dominion policy. Neither the Government nor the Legislature of Ontario can aid in the settlement of the questions which were at issue, but Mr. Mowat chose to ally his Government actively with that of Mr. Mackenzie, and he must expect to share Mr. Mackenzie's fate. The Ministers of Ontario, leaving their duties to be discharged by subordinates, spent the summer in the service of the Dominion Government, and they did not hesitate to bring to the aid of the Ministerial candidates all the influences and powers which, as the Government of Ontario, they wielded. This was not only a violation of their duty to the people of this Province, but a violation also of the principles which they professed in respect to the relations which should exist between the Government of the Dominion and that of each of the Provinces, and which Mr. Blake expounded in a speech delivered in the Legislature of Ontario on December 22, 1871, when, as Premier, he defined the principles and policy of his political friends, and of the Administration which he had just formed. Mr. Blake is reported to have used the following words (*vide Globe* 23rd December, 1871):—"My friends and



myself have for the past four years complained that the late Administration (Sandfield Macdonald's) was formed upon the principle and the understanding that it and the Dominion Government should work together, play into one another's hands, and that they should be allies. My friends and myself thought, and my Administration now thinks, that such an arrangement is injurious to the well-being of Confederation, calculated to create difficulties which might be otherwise avoided, and that there should exist no other attitude on the part of the Provincial Government towards the Government of the Dominion Government than one of neutrality—that each Government should be absolutely independent of the other in the management of its own affairs. We believe that the Government of the Province ought not to assume a position of either alliance or hostility towards the Government of the Dominion.” Mr. Mowat and his colleagues must deeply regret that they departed during the late general election from the policy laid down for them by Mr. Blake.

#### THE PREMIER IN GLENGARRY.

Mr. Mowat seemed conscious at times when itinerating the country that he was doing wrong, and that he had placed himself in a false position. He exhibited this consciousness notably at a public meeting in Glengarry, when he went so far as to deny his official identity. He actually told the people that he was not there as Premier of Ontario. This was unworthy of Mr. Mowat, but was a very emphatic condemnation of himself. It was a declaration that the Premier of Ontario ought not to have been there. Mr. Mowat might just as well have said that he was not there as Oliver Mowat as that he was not there as Premier. While he retains the office of First Minister, he cannot lay aside its attributes. When in Glengarry he was the Premier, the people knew he was the Premier, and what is more he went there to actively exercise his influence as Premier on behalf of the Dominion candidates for that county and the adjacent constituencies. A railway is being built through that part of the country to Ottawa, and is perhaps dependent for its completion upon receiving further aid from the Province of Ontario. Although Mr. Mowat told the people that he was not there as Premier, will he say that he did not listen to representations or applications from the promoters of the railway for additional Provincial aid? Will he say that he did not give any of the electors of Glengarry the impression that their chances of receiving railway aid from his Government would be greater if the county elect-

ed the Ministerial candidate, Mr. McNab, than if it elected his opponent, Mr. MacLennan? I have no doubt electioneering on behalf of the Mackenzie Government was distasteful to Mr. Mowat, but he performed the task, proving thereby that while he may know what is right he can be persuaded to do what is wrong. I hope the historical retrospect which I have presented will not be altogether uninteresting to you and to the public generally. I submit that it shows plainly that the efforts of Sir John Macdonald and his coadjutors have always been directed to promote union and harmony among the various races and creeds which compose our population, whilst those of Mr. Brown and his followers have been devoted to exciting and fomenting political discord and religious intolerance. I leave you to say which party has walked in the path of patriotism and unselfishness. I shall now proceed to place before you comparative statements of the public expenditure under the several Administrations which have held power in Ontario since she became a separate Province, in respect to her local affairs. I repeat that the first Provincial Government was formed by Mr. Sandfield Macdonald in July, 1867, and that it ruled until the 21st Dec., 1871. On that day Mr. Blake succeeded to power. His Government, of which Mr. Mackenzie was Treasurer, ruled till the 31st October, 1872, when, in consequence of the provisions of the act abolishing dual representation, Messrs. Blake and Mackenzie retired from the Government and Legislature of Ontario, and Mr. Mowat was called upon to form a Government. His Administration is still in power. I may remark that the Public Accounts are not kept in such a way as to facilitate comparisons of the details of the expenditure of different years. Items are not classed uniformly, under the same heading, year by year. This has rendered the preparation of my statements a work of difficulty and great labour, but I hope that I now present them in a form so plain as to be easily understood even by those who are not familiar with the science of accounts.

#### ANNUAL EXPENDITURE.

If Mr. Mowat should consider any of my deductions erroneous or unjust he will have the opportunity of endeavouring to refute them during the approaching session of the Legislature, and if he should attempt to do so, I hope he will eschew the example set him by Mr. Mackenzie and his colleagues, and will not indulge in abuse of me, but will confine himself to the task justifying the acts of his Administration. He may well take warning by the fate of the late Dominion Government. The expenditure of the Province has increased 260 per cent.

in ten years. This includes the amount of the "surplus distribution" but deducting the amount distributed among the municipalities in 1877, the expenditure of that year amounted to \$2,799,702, exceeding by \$982,836, the gross expenditure of 1871. It is remarkable to see how seriously the Departmental expenditure was increased on the accession of Messrs. Blake and Mackenzie. The salaries and contingencies together bounded up from \$108,146 in 1871 to \$139,121 in 1872, being an increase of 23 per cent., and they reached the formidable sum of \$154,693 in 1877. This is not the result the people looked for from the men who professed to be economists *par excellence*. The Departmental expenditure being largely within the control of individual Ministers, affords an unerring key to their character—indicating whether they are extravagant or economical. The contingencies are scattered without system through the Public Accounts. In the session of 1875-6, Mr. Mowat increased the salaries of himself and colleagues from \$4,000 and \$3,200 respectively, the amounts at which the salaries of the Prime Minister of Ontario and his colleagues were fixed by Mr. Sandfield Macdonald, to \$3,500 and \$4,500, respectively, exclusive of the sessional allowance of \$800 each. Mr. Mowat's public emoluments thus amount to \$6,300 a year, and those of each of his colleagues to \$5,300 a year. It cannot be said that these are not generous rewards, especially to gentlemen who continue to pursue their private avocations, and who showed by their absence from their offices during last summer, serving as electioneering missionaries, that their official duties are not of an onerous character. Indeed, except during the sessions of the Legislature, and for a short time before, spent in preparing for them, I imagine the departmental labours of the Ministers of Ontario are light. It is a striking fact that in the Treasury—the Department presided over by Mr. Mackenzie—the contingencies for the year he was in office (1872) were more than double what they were the year before. Since then they have been reduced, and for the last four years they have averaged each year about the same sum as they were in 1871, but the salaries have been increased. They have run up from \$11,495 in 1871, to \$16,900 in 1877—an increase of almost 50 per cent. In the Crown Lands Department, the contingencies ran up from \$8,454 in 1871, to \$23,198 in 1872, and in 1877 they had fallen back to \$11,841; but the salaries of the Department have increased from \$32,563 in 1872, to \$40,060 in 1877. This increase is probably caused by Mr. Pardee charging permanently as salaries what Mr. Mackenzie had charged as contin-

gencies. The contingencies are disbursed in the discretion of the Minister at the head of each Department. They may be said to constitute the corruption fund of unscrupulous Ministers, and even when honest and conscientious administration is intended, it is well known unless the contingencies are closely watched, that items for corruption and jobbery may creep in. To prevent this, Mr. Sandfield Macdonald, while he was Prime Minister, exhibited them in a schedule by themselves in the Public Accounts for each year. But that useful schedule has been discontinued. I have supplied it.

#### CONTINGENCIES AND LEGISLATION.

The contingencies are entered in the Public Accounts somewhat capriciously under the various headings of "Miscellaneous," "Expenses," and "Contingencies." If the object were to conceal the gross amount it would be difficult to devise a better mode of bookkeeping than that which has been adopted. The statement discloses the amazing fact that the discretionary expenditure was 56 per cent. more in 1877 than in 1871. Such is economy under self-styled Reform rule. It is difficult to explain the increase in the contingencies, except by assuming that favourites—supernumeraries have been employed and paid liberal salaries out of them. The enormous contingent expenditure of the Ontario Government is altogether inconsistent with pure administration. Messrs. Blake and Mackenzie elevated the standard of expenditure if not of political morality in Ontario, and in passing it to their successors they handed it to those who have continued to elevate it.

The Legislative business of Ontario should not increase materially from session to session, yet the increase of the cost of Legislation since 1871 is very considerable. The average annual charge for salaries in the Legislative Assembly during Mr. Sandfield Macdonald's rule was \$9,772, for Mr. Blake's year it was \$10,200, and for Mr. Mowat's five years the average annual charge has been \$12,260. The indemnity paid to members has become an exceedingly heavy item. It is a misnomer to call it an indemnity, it has been raised into a comfortable salary. Mr. Sandfield Macdonald fixed it at \$450 per session, which was ample to indemnify gentlemen who had not to go further from their homes than to Toronto. But in 1873, Mr. Mowat, doubtless desiring to propitiate Reformers, raised the indemnity to \$600, and again I presume further to appease them, he raised it in the session of 1875-6 to \$800. The Speaker's salary has been raised also from \$1,000 to \$1,500. The average expenditure for sessional writers and pages during Mr. Sandfield Macdonald's



four sessions was \$2,869. For Mr. Blake's year, the sum was \$5,197, for Mr. Mowat's five years the average was \$7,018, and for last year the outlay was \$7,670. It would be interesting to know the degrees of consanguinity and affinity which existed between the sessional supernumeraries and their patrons, the Reform Purists who occupied seats on the floor of the House. You will see, by referring to the statement, how the charge for stationery, printing and binding has been increased. It is difficult to believe that \$126,714 a year for legislation for Ontario is not an excessive expenditure. I believe there is room for the introduction of much reform and purity here, but it requires a firmer hand than is now in power to introduce them. I am told by lawyers, that the Legislation is conducted in a perfunctory sort of manner, and that the meaning of some enactments is so obscure as not to be clearly intelligible until interpreted by judicial decisions obtained at the cost of unfortunate suitors.

#### ADMINISTRATION OF JUSTICE.

The expenditure for the Administration of Justice was increased between 1871 and 1877 by the enormous annual sum of \$141,264. Can this have been necessary or justifiable? The increase in items of which the amounts depend upon the exercise of patronage is noteworthy and suggestive—but not of economy or of purity. You will see that the charge for Crown Counsel has been increased sixty-seven per cent. since 1871. The Local Government employs members of the Dominion Parliament as Crown Counsel, which, I regard, as an evasion of the spirit of the Dominion Independence of Parliament Act. The annual expenditure for the Administration of Justice, payable by the Dominion, was increased during Mr. Mackenzie's Premiership \$166,631, of which, I think, it may be assumed that one half has to be paid by the people of Ontario, and if so, it follows that the Reform Governments at Ottawa and Toronto have increased the taxation of Ontario for the Administration of Justice by the enormous sum of \$224,679 a year, and have at the same time increased the cost of litigation to suitors. They have created two Courts of Appeal—the Court of Error and Appeal for Ontario, and the Supreme Court at Ottawa.

The rules of procedure admit practically of all causes being carried to several appeals or rehearings, exclusive of the Judicial Committee of the Privy Council, entailing heavy costs and vexatious delays. When Messrs. Mackenzie and Blake determined to establish the Supreme Court at Ottawa they should have informed Mr. Mowat of their intention. Had they done so, I am sure he would not have created the

Court of Error and Appeal for Ontario. Too many appeals are permitted, and they must often be the means, especially when the poor man is concerned, of defeating the ends of justice, but to the lawyers they yield much profit in costs and advancement to judgeships. One appeal, or re-hearing, is all that the interests of litigants require in ordinary cases. When important principles are involved, or large sums of money at stake, appeals might be allowed to the Supreme Court at Ottawa, or to the Judicial Committee of the Privy Council. The interests of suitors demand speedy justice; numerous appeals, with their heavy attendant costs and delays, are ruinous to them. Records of instances of cruel hardship, involving even ruin, lie buried in the archives of our courts. On some of them romances might be founded as thrilling as any that have been written on *causes celebres* of the Court of Chancery in England. It must be admitted that while Messrs. Blake and Mowat have not been conspicuous for statesmanship they have not neglected the interests of the Legal—their own profession. Indeed, they seem in their respective spheres to have vied with each other in taxing the people for the Administration of Justice, and in increasing the cost of litigation. The burdens which they have imposed will prevent them being forgotten by the people. I hope that some long earnest and able law reformers will arise, who will expose and remedy the abuses which exist in this Department.

#### EDUCATION.

Education is worth any money that may properly be expended upon it, but, as in all other matters, care should be taken to get full value for the money actually spent. Is full value being obtained for the increased expenditure for education in Ontario? Between 1871 and 1877 it was increased by the appalling sum of \$200,000—and I am sure the public will be disappointed and alarmed to see how large a proportion of this sum has been absorbed in salaries and contingencies of what I may call the Departmental or Administrative branches of the service. It will be seen, by referring to the statement that in some branches salaries and contingencies have been doubled since 1871. The inspection of schools should be very thorough and much improved if its cost be any criterion to its efficiency. In 1871 it cost \$14,527, and in 1877 it cost \$36,644, being an increase of upwards of 150 per cent.

The increase in the charge for the examination of teachers is astounding. In 1871 it was only \$600; in 1877 it reached \$6,577, an increase of more than ten hundred per cent. Then in 1877 we have

a new item—\$6,559 for the "Training of Teachers." I fancied our Normal Schools were for the educating and training of teachers.

The expenditure, strictly, upon schools—Common, Separate, Poor, Grammar and High, and also Collegiate Institutes—since Confederation, has been as follows: 1868, \$227,000; 1869, \$194,532; 1870, \$233,452; 1871, \$250,462; 1872, \$281,619; 1873, \$303,640; 1874, \$322,535; 1875, \$328,377; 1876, \$331,944; 1877, \$329,243. The outlay for salaries and contingencies in the Educational Department, Normal and Model Schools, Depository, Inspection of Schools, Examination and Training of Teachers for the same years has been for 1868, \$37,382; 1869, \$42,667; 1870, \$44,547; 1871, \$59,679; 1872, \$90,288; 1873, \$102,824; 1874, \$108,742; 1875, \$120,054; 1876, \$135,906; 1877, \$155,524. The expenditure for administration bears the the following per centage rate to the expenditure on Schools, in 1868, it was sixteen per cent.; 1869, twenty-two per cent.; 1870, nineteen per cent.; 1871, twenty-three per cent.; 1872, thirty-two per cent.; 1873 and 1874, thirty-three per cent.; 1875, thirty-six per cent.; 1876, forty-one per cent.; and in 1877, forty-seven per cent.—being within a fraction of fifty per cent., or equal to one-half of the amount granted or distributed to the schools by the Government. The first great upward bound in the expenditure in this department—from twenty-three per cent. to thirty-two per cent., took place in the year in which Mr. Blake was Prime Minister and Mr. Mackenzie Treasurer. The next marked increase was in 1876 when a Minister, a political head, was appointed to the Department of Education; the result is calculated to make the friends of education doubt the wisdom of the change. Contrast the cost of administration in 1877 and 1868—\$155,524 with \$37,382. The former was under the Minister of Education—a political chief—while the latter was expended under the careful supervision of the then Chief Superintendent, the able and devoted father of our common school education, the venerable Dr. Egerton Ryerson. I cannot refer to this eminent man without paying him the tribute of saying that his services have placed the people of Upper Canada under a debt of gratitude to him greater than they can discharge. The Administrative or Departmental expenditure has been increased from \$59,679, the sum at which it stood in 1871, when Mr. Sandfield Macdonald retired, to \$155,524 in 1877. The amount distributed among schools in 1871 was \$250,462, and the cost of administration that year was \$59,679. The amount distri-

buted in 1872 was increased to \$281,619 and the cost of administration was swelled to \$90,288. In other words, in 1872 the grants to schools was increased \$31,157, and the cost of administration was increased to \$30,609, or to within \$548 of the increased amount of the grant to schools. Can this result have been due to anything less excusable than a heinous abuse of patronage. But it has been surpassed by the present Government, as the following facts establish. The amount distributed among schools in 1877 was increased to \$329,243 and the cost of administration was increased to \$155,524. In other words, the grant to schools in 1877 exceeded that of 1871 by the sum of \$78,781, and the cost of administration in 1877 exceeded that of 1871 by \$95,845, being \$17,064 more than the increased amount of the grant to schools. I have compared Mr. Blake's year, 1872, and Mr. Mowat's last year, 1877, with Mr. Sandfield Macdonald's last year, 1871. I will now compare Mr. Mowat's last year, 1877, with Mr. Blake's year, 1872. The amount distributed among the schools in 1877 exceeded that of 1872 by \$47,624, while the cost of administration in 1877 exceeded that of 1872 by \$65,236. It is thus made apparent that while Messrs. Blake and Mackenzie far outran Mr. Sandfield Macdonald in expenditure on the administrative branches of the Educational Department, they in their turn have been distanced by their pupils in the school of extravagance—Messrs. Mowat and Crooks. If these gentlemen should be allowed to remain in office for four years more, and should continue to increase the cost of administering the school system as they have done since they succeeded to power, either the grants, already very heavy, must be increased, or the efficiency of the schools will be impaired. The expenditure for libraries, maps, prizes, museum, etc., has been greatly increased. In 1871 it amounted to \$38,795; in 1872 to \$47,285; in 1877 to \$63,939. If I could be assured that these large sums have been expended judiciously and without favouritism, I should not object to them, but that is precisely what is doubtful. The school trustees throughout the country are the parties most immediately interested in this expenditure. I have included in the cost of administration the expenditure on the Normal and Model Schools. I am aware that a portion of this should be charged to schools, but I have not been able to separate what belongs to schools from what belongs to administration, and as I have throughout applied the same rule to this expenditure, the correctness of my comparisons are not appreciably affected.

## CROWN LANDS, ETC.

The increase in the expenditure of the Crown Lands Department has been rapid and enormous, and I fear corrupt. The character of the increase is noteworthy; it is largely for salaries and commissions to agents and inspectors, for surveys, and forest-ranging; services which admit of the dispensing of much patronage. A part of the exceptional expenditure of 1872 and 1873 was no doubt incurred in obtaining information regarding the timber limits which were sold at that time. The contingencies of the office at Toronto were nearly three times as much in 1872 as they were in 1871, increasing from \$8,454 to \$23,198, and they are still enormous. While the Public Domain has decreased in area since 1871, the expense of managing it has increased prodigiously. There seems to be no room to doubt that since and including 1872 the management of this Department has been unpardonably extravagant.

I would call attention to the aggregate amount granted to various institutions and societies, and to the rate at which it is increasing. In 1871 these amounted to \$116,537, and in 1877 they had increased to \$161,385. The societies which have been aided may be deserving and praiseworthy, but unless grants of this nature be closely scrutinized, they open a door for favoritism and corruption.

The gross expenditure on Immigration has been enormous, and no appreciable return has been obtained for years. A moderate immigration establishment is necessary, but much of the large outlay of late years must have been practically squandered. I proved elsewhere that the expenditure by the Dominion Government last year for this service amounted to \$30.68 per head of the immigrants who were induced to come to this country through the agencies employed by the department. Mr. Pardee, the Commissioner of Crown Lands, when electioneering last summer for Mr. Mackenzie, ventured not only to question the correctness of this statement, but accused me of misrepresentation. In the *Globe* of the 3rd June last, Mr. Pardee is reported to have "defended the actions of the Ottawa Government, and crushingly replied to the absurd statements and misrepresentations contained in Senator Macpherson's pamphlet." He ought not to have sacrificed truth in an attempt to defend the Ottawa Government, and he ought not to have maligned me. He knew that I had understated the cost per head of immigrants in 1876-7, as I had not taken into account the amount spent by Ontario. He must reckon as immigrants, the tramps who enter the Province

at one frontier town, and beg or steal their way through the country to another frontier town, and thence re-enter the United States. In no other way can he show the number of immigrants influenced by the Department to have exceeded that named by me. Mr. Pardee would have acted a more judicious part if he had repressed his electioneering zeal in behalf of Mr. Mackenzie, and been content to enjoy in peace, what our neighbours would call his salary and sessional grabs. The gross expenditure for immigration by Ontario, including the salaries and contingencies at Toronto, has increased from \$29,712 in 1871, to \$47,664 in 1877, being an increase of over 60 per cent. Some of the items are startling, and I fear profligate.

## PUBLIC WORKS AND BUILDINGS.

The expenditure on each building and work is so clearly shown that, assuming it to have been incurred under Acts of the Legislature, I do not feel called upon to offer any comments upon it, further than to say that the expenditure on Osgoode Hall of \$4,870 was chiefly, if not altogether, incurred to provide accommodations for the new Court of Error and Appeal.

The expenditure on the above objects has more than doubled since 1871. If the money has been carefully expended, no one will complain of its increased amount. But is the management characterized by economy? Contracts for the furnishing of all supplies to the institutions should be let periodically by public tender. I cannot learn that this is done. Now that the adulteration of food has become a science, all supplies received by the Government should be inspected, to ascertain that they are unadulterated, and that they are also of the qualities stipulated for in the contracts. The opportunities for favoritism in ordering supplies, unless it is done by public tender, and for dishonesty in executing the orders, are greater in this Department, probably, than they are in respect to any other equal amount of the public expenditure.

The details of this outlay are not given in the Public Accounts. The Government must believe the people to be indifferent to economy, or they would not have the boldness to suppress any of the details of an expenditure which for last year amounted to no less a sum than \$407,235. The names of the contractors who furnished the supplies are not even given. Why are they withheld? Now, if the supplies are being taken, except under contracts obtained by open *bond fide* competition, in respect to price and quality, the Government is doing that which is deeply censurable. But if supplies are purchased without competition,

it is the more necessary that the names of the favoured contractors, and the amount of public money paid to each of them, should be made known to the people. The self-styled Reform Ministers, both at Toronto and at Ottawa, have seemed to ignore with contempt the people and the people's representatives when the spending of money was concerned.

The maintenance of our public institutions, and the whole of the public expenditure, should be subjected every session to rigid scrutiny before a committee of the Legislature, and among the standing committees is one on Public Accounts, but the Government does not encourage an audit. I am informed that the examination into the expenditure of 1875 was not completed last session. Does this not prove that under the present Government the pretended audit is a solemn mockery?

#### ANNUAL RECEIPTS.

This is a condensed statement of the gross receipts of the Province for each year since Confederation, and may excite well-grounded alarm in the minds of the people of Ontario. I have classified the sources of income so as to show what may be considered the normal revenue of the Province—that on which the expenditure should be based. What I call the "Ordinary Revenue" has for the last five years averaged annually a little over a million and a half of dollars, and is not likely to vary materially. "Territorial Revenue" is the only other important item of income. It amounted last year to \$624,705. The receipts for land must largely be for arrears, account of sales made in past years, and the amounts coming in from that source are rapidly diminishing; for instance, the amount received for Crown Lands in 1877 was less than one-half of that received in 1873, and less than one-fifth of that received in 1871. Yet mark, that in 1871, when the Territorial Revenue was \$758,550, the expenditure in the Crown Lands Department was \$107,743, while in 1877, when the Territorial Revenue had decreased to \$624,705 the expenditure in the Crown Lands Department, under the Commissionership of Mr. Pardee, increased to \$146,895. In 1871 the expenditure amounted to 14 per cent., and in 1877 to 23 per cent. of the gross revenue. For the purpose of this comparison I have excluded from the Crown Land expenditure the amounts spent on colonization roads in both years. The receipts from School Lands have to be held in trust for Ontario and Quebec. Comparatively little public land of attractive quality remains undisposed of by the Crown, except what is offered as free grants. It will thus be seen that the only portion of the Territorial

Revenue which may be considered in some measure permanent, is that derived from the forest—for the privilege of cutting timber. The revenue from this source was abnormally stimulated by the Government in 1872 and 1873. It has averaged \$414,211 a year for the last four years, and I fear it is more likely to diminish than to increase. The interest on investments is, of course, revenue, but it is a variable and uncertain item. As the investments are reduced the amount of interest will decline, and under the present Government I fear it would soon disappear altogether. The territorial income, although treated as revenue, is really capital, for it is received either for land sold or timber cut down. There is no source from which indirect revenue may be drawn to take the place of the present territorial revenue. Indeed by diverting into the Provincial Exchequer a portion of the revenue derived from tavern licenses, which many think properly belongs to the municipalities, Mr. Mowat may be said to have inaugurated direct taxation for Provincial purposes.

#### A SERIES OF DEFICITS.

The prevailing opinion in Ontario is, I think, that the finances of the country are in a sound and satisfactory condition—that the Revenue exceeds the Expenditure, and that the Province rejoices in an annual surplus. I regret that it should have devolved upon me to dispel this agreeable delusion, but the people should be told the truth about their own affairs, even if it should be, and in this case I believe it will be, an appalling revelation. Will it not astound the people to learn that the Expenditure has exceeded the Revenue for each of the last four years—that the Province of Ontario has had four annual deficits—each of them larger than the preceding one? Such is the fact, unfortunately, as will be seen by referring to my tables of Expenditure and Receipts (Nos. 1 and 14), the contents of which are taken from the Public Accounts. The result of those years was as follows:—

	1874.	1875.	1876.	1877.
Expenditure,	3,871,492	3,604,524	3,149,627	3,117,413
Revenue....	3,446,348	3,159,495	2,582,224	2,452,078
Deficit, 1874	\$425,144			
Deficit, 1875.....		\$445,029		
Deficit, 1876.....			\$551,403	
Deficit, 1877.....				\$665,335

Thus the accumulations of former years had to be drawn upon to meet these deficits to the amount of \$2,086,911.

This statement shows the cash transactions of the Government and the balance on the 31st December of each year since Confederation. It shows the annual increases and decreases of the surplus year

by year. The balance remaining on hand on 31st December last was \$2,639,212, over one million of dollars (\$1,008,734) less than the sum which the self-styled Reform Government inherited from Mr. Sandfield Macdonald's Government.

Yet, in the presence of these annual and annually increasing deficits, Mr. Mowat increased the salaries of himself and colleagues and twice increased the sessional indemnity to members of the Legislature; he increased the expenditure for the administration of justice \$132,244 in addition to increasing the costs of litigation; he increased the expenditure for education \$128,516, exclusive of the largely-increased direct taxation for the same purpose. In short, he increased the public expenditure generally and lavishly. Can Mr. Mowat have been aware of the actual condition of the Provincial finances?

In the matter of deficit, his Treasurer seems to have emulated the Finance Minister of the Dominion.

If Mr. Mowat should be allowed to remain in office four years more, the deficits on the annual transactions—at the rate of last year—would absorb more than the balance remaining of the surplus, and a sum would have to be provided by direct taxation to cover the expenditure.

When I took up the Public Accounts to analyze them, I confess I had no conception that the finances of Ontario were in the alarming condition in which they are. The facts seem to prove that the Government is incapable and reckless. Their maladministration and extravagance have been flagrant and call for condemnation as signal as was meted out to Mr. Mackenzie's Government.

#### MR. MACPHERSON'S MOTIVES.

In laying before you evidences of some of the delinquencies of Mr. Mowat's Government, I am influenced solely by a desire to promote the public welfare, and to purify Canadian public life. Even Mr. Brown will not charge me with being a candidate for Cabinet office in Ontario, or with seeking favours from the Government of this Province.

Desiring to lessen my influence with the people, Mr. Brown misrepresented the motive of my opposition to the late Government of the Dominion, and, through his newspaper, charged me shortly before the late general election with being a candidate for Cabinet office. Referring to me, he said:—"He is simply working for a Cabinet office in the Administration of Sir John Macdonald when the latter returns to power."

I denied this at once, in the following words, addressed to Mr. Brown:—

"I am not a candidate for Cabinet office, and I think you must be aware of the fact."

"The following is an extract from my pamphlet of June, 1877:—

"I am, as you all know, one of the non-official class, having nothing to gain by the rise and fall of Administrations; having no object to serve beyond that which I have in common with you and with every lover of, as well as with every taxpayer of, Canada—interested only in the good name and fair fame of our country; interested in the honest, efficient and economical administration of public affairs; and, above all, because essential to the attainment of the others, interested that our Ministers should be men worthy to constitute the Government of Canada—men of high character and consistency, men of truth and honour."

Mr. Brown, acting with great unfairness, did not publish my letter denying his unjust imputation of improper motives. He would not allow the readers of the *Globe* to see it.

When the Cabinet was made up, Mr. Brown, still wishing to impute to me the character for which the members of his own party are notorious—self-seeking—published in the *Globe* the following paragraph:—

"Senator Macpherson is to receive—should there be no slips 'twixt the cup and the lip—the Lieut.—Governorship of Ontario when the term of office of the Hon. Mr. Macdonald terminates in June, 1880."

I need scarcely say that the statement is as baseless in fact, as the motive for its publication was base. It must have been invented in the *Globe* office. There never was a title of foundation for it. I had no communication, direct or indirect, with Sir John Macdonald while he was engaged in forming the new Ministry. I knew too well what was due to him, and to myself, to volunteer advice touching the *personnel* of his Cabinet, and with his great experience he did not need to seek advice except from those whom he had selected for his colleagues. My friends had long known that I had no aspiration for Cabinet office. The sacrifices which a residence at the seat of Government would entail, would be greater than I would willingly incur. Under our system of Parliamentary Government, I am aware it would be unbecoming and improper for any public man to say that he would not, under any circumstances, accept office. Circumstances might arise which would make the acceptance of office an imperative duty, but I neither desire nor expect that that duty shall ever be imposed upon me. With respect to the high and honourable office of Lieut.-Governor of Ontario, I quote the following words from my pamphlet of December, 1877.

Before the late Mr. Crawford was appointed Lieutenant-Governor, my name



was freely mentioned in the press as the probable successor to Mr. Howland; and I did not keep it a secret from my friends, many of whom spoke to me upon the subject, that I would not accept the office if it were offered to me; that, in fact, I would not exchange my Senatorship for any office in the gift of the Government."

The views I held then are unchanged. It is with reluctance that I refer to matters so entirely personal to myself, but I am constrained to do so for the purpose of counteracting the effect of the misrepresentation of my motives, in which the *Globe* has seen fit to indulge.

#### A RETROSPECT.

While addressing you, I shall offer some remarks on Dominion affairs. The Mackenzie Government was routed—righteously routed—at the polls, on the 17th September last, but Mr. Mackenzie and his colleagues clung to office for weeks thereafter, exercising Ministerial functions, in direct violation of their own former pledges and of modern British usage. The new Ministers—those who are members of the House of Commons—had to present themselves to their constituents for re-election. This occupied several weeks, and November was well advanced before they were able to assemble at Ottawa and enter upon their Cabinet and Departmental duties. Yet in the face of these plain facts, from the day Sir John Macdonald was called upon to form an Administration, the self-styled Reform press throughout the Dominion, led by the *Toronto Globe*, has been demanding to know the details of the National Policy which the new Government propose to submit to Parliament. The so-called Reform organs actually clamoured for these details before the new Government was installed in office to deliberate and determine upon them. These editors must entertain a very low opinion of the intelligence of their readers if they think they can impose upon them what is so transparently unreasonable, unfair and absurd. They must look upon them as incapable of discerning between what is just and unjust, between fact and fiction. In short, they must believe them to be thoroughly gullible. The writers in the *Globe* have acted on this assumption for many years. But I should have thought that the experience of the 17th September last would have awakened even the Honourable George Brown to the fact that his dupes do not now number more than a small minority of the people even of Ontario. Education has emancipated them from his tyranny. They now distinguish between the truths and untruths which appear daily in the *Globe*. They have discovered that that newspaper is not written in the interests of the people, but for the political ag-

grandisement of its chief proprietor—Mr. Brown. They have learned that public questions are not fairly submitted nor honestly discussed in the columns of the *Globe* and of its satellites, but that all questions in controversy are represented as faultless or altogether bad, according as their authors are subservient, or the reverse, to Mr. Brown. The absolute truth of this statement will not be denied by any intelligent reader of the *Globe*.

The loud and audacious demand for the details of the National Policy is prompted by a desire to withdraw public attention from the consequences of the grievous mal-administration of the Mackenzie Government, and in taking this course the *Globe* exhibits considerable astuteness. It is making a bold and impudent attempt to lead the country away from the consideration and the remembrance of the mal-administration and corruption of the late Government, and trying to make it appear that their ignominious defeat was altogether due to their honest opposition to the National Policy.

Those who were engaged actively in the late contest, know that this is, to a very large extent, unfounded. They know, and the members of the late Government and Mr. Brown know, that the proved personal recreancy, violation of pledges, political inconsistency, and administrative incapacity, extravagance, nepotism, favouritism, and corruption of the late administration had insured their defeat.

The failure of Mr. Mackenzie and his colleagues as statesmen and administrators was so complete that the more intelligent members of their own party had not only lost confidence in them, but were ashamed of them, and many either abstained from voting, or went behind the ballot screens and voted against the Grit candidates. These are indisputable and widely known facts. The agitation of the National Policy increased the majority against the Mackenzie Government; but that Government was fore-doomed, even if the National Policy had not been in controversy.

#### THE N. P. CRY.

Mr. Brown's object in labouring to make it appear that the National Policy was the sole issue before the people at the late elections, and the only one on which they rendered a verdict, is very obvious. He knows that if the issue can be narrowed to one of public policy, and the defeat of the late Ministers be attributed solely to their having taken the unpopular side on a public question the difficulty of rehabilitating them, even measurably, will be much less than if the facts of their total unfitness to govern be kept prominently and constantly before the public. To



give effect to the National Policy, it must be embodied in a tariff, and a change of tariff necessarily touches every great interest in the country—Agricultural, Manufacturing, Importing, in short, all the interests of producers and consumers. No matter how much earnest care and anxiety, aided by the best information within their reach, the Government may exercise in readjusting the tariff, it will be impossible to so frame it as not to disappoint many persons. It must be manifest that the details of a new tariff will afford greater scope than perhaps any other question, to unscrupulous politicians of Reform pretensions, and to their organs in the press, for hostile criticism in a garb of candour, not to say misrepresentation of the Government, and for arousing jealousies and dissensions in the Ministerial ranks. It would delight Mr. Brown to be allowed to fight the battle of the next five years exclusively upon the National Policy question. He spreads his net daily and craftily for his Liberal Conservative opponents. I venture to warn them of the danger of being entrapped. The offences and deficiencies of the late Government, and the appalling cost to the country of their incapacity and corruption, should be kept continually before the people. It has become the fashion, now that Mr. Mackenzie has fallen, to say that his past short-comings should be consigned to oblivion, and that he himself should be spoken of with sympathy and even with respect. The consideration besought for him is greater than should be extended to any one occupying his peculiar position. I presume it is asked for him on the principle that, "Nothing but what is good should be said of the dead." But while it is to be fervently hoped that Mr. Mackenzie may never again fill the office of Prime Minister, he is not politically dead. He is still a member of the House of Commons, and no doubt *faute de mieux*, under Mr. Brown, will be leader of the Opposition. Mr. Mackenzie is responsible for the frightful misgovernment of the last five years, and, with his Minister of Finance, for the alarming mismanagement of the public finances; for the unnecessary increase of the controllable expenditure, and for the general extravagance and waste of the people's money. He is also responsible for the incapacity and recklessness which characterized his administration of the Department of Public Works. Mr. Mackenzie will be called upon, during the future sessions of Parliament, to explain his many and costly errors. The new Ministry have entered upon their duties under circumstances of unparalleled difficulty, and I am sure the people at large will judge them considerately and generously.

#### MR. MACKENZIE'S RECKLESSNESS

It is well known that they found the finances of the country not only "mixed and muddled," but in a state of great embarrassment, the Exchequer depleted, millions of debt maturing next January, and no provision made for its payment, enormous engagements incurred for the construction of public works which had been commenced or conducted by Mr. Mackenzie's Administration in a haphazard and extravagant fashion; millions which had been borrowed expressly to meet these engagements alienated to the payment of interest on the public debt and the ordinary expenditure of the country. Yet knowing of these engagements, and knowing that his Government had failed to provide for them, Mr. Mackenzie endangered the credit of the country by clinging to office after his Administration had ceased to represent the people. If Mr. Mackenzie's Government had not been utterly reckless the Minister of Finance would have gone to England and negotiated a loan early last summer. Had he gone then he would have been in London when the Treaty of Berlin was concluded, when money was abundant and cheap, when capitalists were cheerful and hopeful, and when the public feeling towards Canada was unusually friendly and warm. A loan at that time could have been offered under the most favourable conditions. How changed are all the circumstances. The rate of interest at the Bank of England in June was  $2\frac{1}{2}$  per cent. Now it is 5 per cent. Gloom has taken the place of hope in the public mind. Confidence has been rudely shaken by that far-reaching financial catastrophe—the failure of the City of Glasgow Bank. Credit has been impaired, and it is under these most adverse conditions that the new Minister of Finance is forced to enter the money market of the world to borrow millions. The late Government has placed the country at great disadvantage—almost at the mercy of money lenders. When the Minister of Finance ought to have been in England, he and the Prime Minister were coursing over the Dominion, picnicing and junketing, viperously slandering their political opponents, falsifying the record of their own administration, and earning for themselves the disfavour and contempt of the intelligent persons who compose the great body of the Canadian people.

One of the most culpable acts of mal-administration of which Mr. Mackenzie's Government was guilty was the imperilling of the public credit, not only by failing to provide at the proper time for the public engagements, but by retaining office for weeks after the defeat of his Ministry, thereby excluding their successors, who alone were competent to enter into arrange-

ments on behalf of the country. Still their having acted as they did may not have been an unmitigated evil. In the new Minister of Finance and his Colleagues the capitalists of England will find men in whom they may have implicit confidence. They know that Mr. Tilley does not carry a "two-faced shield," and that perfect reliance may be placed in his representations. They will require no assurance that no portion of the money which he may borrow will be misapplied and represented by nothing more tangible than deficits.

#### THE NEW LOAN.

I observe that Mr. Mackenzie is reported to have addressed a meeting of his partizans at Seaforth, in October last, in almost apologetic terms for having resigned office; for having surrendered the patronage of the Crown, the power of dispensing rewards among his insatiable followers—before the meeting of Parliament, and that he took credit to himself for having been governed by constitutional principles worthy of a Disraeli and a Gladstone. It would be gratifying to the country to believe that, notwithstanding his failure as a Statesman and an Administrator, Mr. Mackenzie had resigned so soon as he discovered that the people had withdrawn their confidence from him, and that in doing so had redeemed his own pledges, fulfilled the spirit of the constitution, and followed the precedents set by modern British statesmen. But I apprehend Mr. Mackenzie is not entitled to credit for having been moved to resign by constitutional considerations. Instead of resigning office the moment the people withdrew their confidence from him, he clung to it with unseemly tenacity. He followed tardily and with apparent reluctance the example of defeated British Prime Ministers. The truth is, Mr. Mackenzie retained office as long as he could do so, and longer than he would have retained it had he been animated by the constitutional principles which he professed, or by a proper regard for the public interests. Mr. Mackenzie knew that he could not retain office till the usual time of the meeting of Parliament. Debentures of the Dominion, amounting to between seven and eight millions of dollars, will mature in London on 1st January next, and his Government had not provided funds to meet that and other heavy engagements which will also mature in January. The only way in which these can be met is by negotiating a new loan, and I need scarcely say that a defeated Government could not negotiate a loan.

On the 17th September Mr. Mackenzie's Ministry lost its authority to bind the country to new engagements, and

had he sent his Minister of Finance to London, to borrow money, that gentleman could not have succeeded. British Capitalists would not have treated with the representative of a Government which had been rejected and deposed by the people. It will thus be seen that Mr. Mackenzie having neglected before the elections, to provide for the obligations of the Dominion could not do so afterwards, and that unless those obligations were provided for, the credit of the country would be destroyed. I think you will agree with me that, under the circumstances, Mr. Mackenzie is not called upon to apologize for having made way for those who are alone authorized to act in the name of the people, and you will also think with me that in speaking as he did at Seaforth, he permitted it to be understood that he would have retained office could he have done so until Parliament met, regardless of his former pledges, not to say the unconstitutionality of such a course. Some of the late Ministers, and notably the late Minister of Finance, have got into the habit of offsetting the Sinking Fund against the deficits, thus representing the Sinking Fund as a cash asset. Nothing could be more erroneous and misleading, and when such unsound views were held in the Finance Department, it is not surprising that deficits were lightly thought of. Under the conditions on which loans have been obtained, the contributions to the Sinking Fund must be annually invested and held in trust, and the amount must be voted by Parliament like any other item of expenditure. The fund thus created goes on accumulating for the purpose of extinguishing, at maturity, the loan for the payment of which it was created. For this purpose, and for this purpose only, it is, or rather it will become an asset. To apply any portion of it to any other use would be a breach of trust, an act of repudiation which the present Government will certainly not commit. \* \* \*

#### THE OPPOSITION POLICY.

But how is the new Administration treated by the leader of the Opposition and his newspaper—the Hon. George Brown and the *Globe*? The individual members of the Government are traduced with characteristic virulence, while provincialism, sectionalism and religious intolerance are fomented, and personal self-seeking is encouraged. In Mr. Brown's opinion, apparently, the place of a public man's domicile, and his faith, not his experience, or his recognized abilities as a statesman and an administrator, should constitute his passport into the Cabinet. Mr. Brown's efforts as a public man and a journalist have been devoted to inculcating sec-

tionalism and bigotry—sectionalism between Provinces, antipathies between races, intolerance between religious denominations. For a time his unpatriotic labours met with too much success; but under the influence of education, the people now receive the teachings of the *Globe* at their true value, as was demonstrated on the 17th September last. But Mr. Brown's rôle is unchanged. He says to Ontario, tauntingly, that all the important portfolios in the new Ministry have been given to the Maritime Provinces. He endeavours to make New Brunswick dissatisfied by telling her that only one of her sons holds a portfolio in the Cabinet, while two of them held portfolios under the Mackenzie Government. Mr. Brown is thus exercising his influence, through the *Globe*, to prevent the consolidation of the Dominion. When the first Government was formed, after Confederation, it was natural that each Province should have had her trusted statesmen in the Cabinet, to guard her interests, but it is to be hoped the necessity for such caution is passing away and that the time is approaching when no greater number of Ministers will be appointed than are absolutely required to conduct the public business, and that they shall be chosen on account of their conspicuous fitness, and not because of the Provinces they hail from or the creeds they profess. I hope the time will never come when the people of any portion of the Dominion will have cause to believe that justice, whether administered on the Bench, in the Cabinet, or in the halls of Parliament, has been turned aside either by sectionalism or bigotry. The encouraging of provincialism is unpatriotic and dangerous. If successful, it will check the consolidation of our Confederacy, prompt demands for local purposes upon the Dominion treasury, which that treasury is ill able to bear, and tend generally to exalt the Provinces at the expense of the Dominion. Yet our spurious Reformers seem unable to outgrow the narrow provincialism, which is inculcated daily in the columns of the *Globe*. Among the evidences of its corrupting tendency, is the survey three years ago of sites for thirty-four new harbours in the Maritime Provinces at a time when the Dominion Exchequer would not permit their construction.

#### FALLEN REFORMERS.

I observe that Mr. Mackenzie and the other members of his late Government, as well as the rank and file of his party, asseverate solemnly when addressing the public that they have always been consistent and conscientious Free Traders; that their faith in the teachings of Adam Smith, Cobden and Bright has never wavered;

that they now have the proud consciousness of having fallen martyrs to the truth they held so dear, and of having sacrificed place and power and patronage on the altar of lofty principle.

If this were true, Mr. Mackenzie and his friends would be entitled to public sympathy in their fall, and to the respect of all honest men. The people would lament that the conscientious adherence to a principle which had been found unsuited to this country should have necessitated the dismissal from office of a band of unselfish patriots.

Unfortunately for Mr. Mackenzie and his late colleagues their high-sounding pretensions are unfounded. The facts are the reverse of what they state. Those who know the gentlemen well would scarcely expect them to make great sacrifices for the sake of principle, but on the National Policy question, so far from sacrificing place to principle, they shamefully sacrificed principle for the sake of place. Happily for the country their dishonesty failed to secure to them a continuance of power.

I am not divulging a secret when I tell you that it was well understood at Ottawa, during the session of 1876, that the Government intended to amend the tariff in the direction of a National Policy. Their friends at Montreal, especially among the manufacturers, believed they had reason to expect such an amendment, and therefore gave their support to the Ministerial candidate in a contest then in progress in that city. In Parliament, well-known semi-official heralds delivered eloquent speeches in behalf of native industry, foreshadowing, it was supposed, an increase of the tariff. The Minister of Finance, it was said, had prepared and was ready to launch his amended tariff, and hoped to receive for it the approval of the people, and especially of those interested in the waning industries of the country. But "the best laid schemes of mice and men gang aft agley." While Mr. Mackenzie and Mr. Cartwright were framing the measure, some of the members from the Maritime Provinces were organizing opposition to it, and they informed the Government when on the eve of submitting it to Parliament, that they were Free Traders and would oppose an increase of Customs duties. Here was a grave emergency! The votes of the dissentients, added to those of the regular Opposition, might defeat the Government. Then was the time for the exhibition of that exalted and disinterested principle which Mr. Mackenzie and his late colleagues now say had always animated them.

Undoubtedly the Ministry were proposing to remodel the tariff in the way in which they believed the public interests de-

manded, and they should have told their Maritime friends that rather than sacrifice the public interests, and their own principles, they would surrender the reins of Government to their opponents. Adherence to principle, then, endangered place, and what did Mr. Mackenzie do? Did he "elevate the standard of public morality" and desire Mr. Cartwright to proceed with his tariff, to do justice to the country or fall in the attempt? No! he abandoned his tariff, and clung to office. The Minister of Finance, instead of remodelling the tariff, had to remodel his Budget Speech from one in favour of Protection to one in favour of Free Trade, and had to excuse—what was inexcusable—his failure to cover the deficit of the year. He had also to extenuate almost a crime—the payment of interest on the public debt, and other current expenditure out of loans—out of money which had been borrowed for other purposes. Mr. Brown, the master-spirit of the so-called Reform party, must have sanctioned the amendment of the tariff. Indeed its increase was semi-officially foreshadowed in the *Globe* of the 25th of February, 1876. No silly articles upon the anti-British character of the National Policy appeared in the *Globe* in those days. Mr. Brown must also have sanctioned the abandonment of the intended change when it was discovered that it would endanger his authority and the places of his friends. He probably went further, and directed the Government to yield to the gentlemen from the Maritime Provinces, assuring them that he, through the *Globe*, would ring the changes upon the Pacific Railway Scandal, and the other scandals, so effectively, that the electors would be again deluded into supporting what he would represent as a Reform Administration. Mr. Brown and his friends have discovered that the public are not to be duped so easily; that the people are not content to be made their puppets.

#### FREE TRADE PROTECTIONISTS.

I have given you a true narrative of what occurred at Ottawa, in the session of 1876, and I challenge Mr. Mackenzie and his friends to disprove it. They are bold and reckless in assertion, but I do not think even they dare deny what is so widely known, and so susceptible of proof. If they should do so, I shall be glad to meet them before a Committee of either House of Parliament, when their testimony and that of others can be taken under oath.

Mr. Mackenzie, in what has been called his "Exposition of Policy" speech, delivered at Sarnia on 11th October, 1875, alluding to the fact that he and his colleagues had increased the duty on imports from fifteen to seventeen and two-thirds

per cent (*sic*), claimed merit for having given practical application to what is now known as the National Policy. "We have, therefore,"—such was his boast—"given an incidental protection to the extent of two and two-thirds per cent. more than had ever been imposed by any previous Administration." While taking credit for increasing the protection to native industries, Mr. Mackenzie still considered himself a free trader, as many advocates of the National Policy still regard themselves. But what he had done he thought "might be a sufficient answer to those who have been accusing me of having it in view to inaugurate a free trade policy." Not that he would not gladly do so if there were no imperative and all-controlling reasons why he should not; he would gladly do so, "if the circumstances of the country would permit, and if the position of our manufacturers would admit of it;" but as these would not, and as he must as a patriotic Minister subordinate his personal views and desires to the wants of the country and condition of our manufacturers, he could not think of giving practical effect to those principles of free trade which theoretically he held so unreservedly. It must be obvious to all intelligent men who read Mr. Mackenzie's "Exposition of Policy" speech, that his opinions upon trade policy were of the elastic order until he was persuaded by his Maritime supporters that he would lose office unless Free Trade was declared to be the policy of his Government. Then, disregarding the "circumstances of the country," and the "position of our manufacturers," Mr. Mackenzie declared himself an uncompromising and life-long Free Trader; and then an enthusiastic friend of his in the House of Commons announced that Free Trade must be inscribed on the banner of the Reform party.

It must have been gall and wormwood to the late Ministers to have discovered, as they did on the 17th September, that they had misjudged public sentiment, and that had they increased the tariff in 1876, their position in the country would have been strengthened. The bitterness must be increased by the knowledge of the fact which Sir John Macdonald and Dr. Tupper have stated publicly, that the Liberal-Conservative party had decided to assist the late Government in raising the tariff. The leaders of the Liberal-Conservative party determined to do this in the interests of the country, knowing well at the same time that the carrying of the proposed measure would strengthen their opponents at the polls. If the late Government had been honest enough to have proceeded with their intended tariff the unselfish support

of the opposition would have enabled them to have carried it, notwithstanding the defection of their Maritime friends. They discovered when too late that honesty would have been their best policy, but in that policy they never showed faith. In their case the twigs must have been bent, and the trees cannot be straightened.

But for the opposition of a few gentlemen from the Eastern Provinces, how different would have been the attitude of the Reformers of Ontario in the late contest? The ardent Free Traders would have been more ardent Protectionists. Byles instead of Bastiat might have been Mr. Brown's guide, philosopher and friend, and if any one had dared to quote Bastiat, Mr. Brown could have proved conclusively from the "Sophisms of Free Trade" how absurdly inapplicable Bastiat's principles and arguments are to a country like ours. This is the ludicrous side of the picture, but, unfortunately, it has a serious, a painful, and

a humiliating side—that of men who have been Ministers of the Crown standing before audiences of their countrymen, and with unabashed brow asseverating that which they must be aware can be disproved. That is a picture which should cause Canadians to hang their heads with shame. I now dismiss Mr. Mackenzie and his Administration.

I hope I shall not have occasion again to impeach before you a Government of the Dominion or of Ontario for incapacity, wastefulness, corruption, recreancy, or any other delinquency, political or personal. I shall endeavour however in the future as in the past, to discharge any public duty with which I charge myself, fearlessly and to the best of my judgment and ability.

I have the honour to be, Gentlemen,

Your very obedient servant,

D. L. MACPHERSON.

Toronto, 2nd December.

